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ADAM SMITH'S LECTURES ON JUSTICE, POLICE, REVENUE AND ARMS.¹

I.

THROUGH the publication of this report of Adam Smith's Lectures on Jurisprudence, edited with scrupulous care and extraordinary industry, Mr. E. Cannan has thrown a most serviceable light on the literary history of economics and on the intellectual development of Adam Smith. It may be permitted to me, as one who has devoted himself for many years to this old master of our science, to point out wherein, as I believe, consists the increase in our knowledge that has thus been brought about.

At the outset must be mentioned the fact that we are now for the first time in a position to form an entirely clear conception of Smith's Lectures on Jurisprudence. Especially can we understand Millar's statement that Smith endeavored

to trace the gradual progress of jurisprudence, both public and private, from the rudest to the most refined ages, and to point out the effects of those arts which *contribute* to *subsistence* and the *accumulation* of *property*, in producing corresponding improvements or alterations in law and government.

We live in an age of materialistic philosophy of history, and we know how to appreciate the fact that a Scotch professor of moral philosophy attempted, more than one hundred and thirty years ago, to explain law as based on economic conditions. In only a few passages do we miss this treatment. To take a single example, neither the origin nor the abolition of slavery is explained by him on economic grounds. Thus, he says :

¹ Lectures on Justice, Police, Revenue and Arms; delivered in the University of Glasgow by Adam Smith; reported by a student in 1763; and edited, with an introduction and notes, by Edwin Cannan. Oxford, The Clarendon Press, 1896.
—xxxix, 293 pp.

It is to be observed that slavery takes place in all societies at their beginning, and proceeds from that *tyrannic disposition* which may almost be said to be natural to mankind. Whatever form of government was established, it was a part of its constitution that slavery should be continued [p. 96].

A few pages further on, we learn that in western Europe slavery was abolished for political reasons — in fact, by the monarch, who “did all he could to lessen this (the lord’s) influence,” and by the church, since “whatever diminished the power of the nobles over their inferiors increased the power of the ecclesiastics.” On the other hand, it is interesting to see that Adam Smith speaks of the guilds almost like a modern economic historian: “Though they might once be conducive to the interests of the country,” we read on page 130, they are “now prejudicial to it.” He speaks in a similar way, on page 235, of the markets and fairs, whose necessity he seeks to explain from the conditions of earlier times: “All fairs, however necessary they then were, are now real nuisances. It is absurd to preserve in people a regard for their old customs, when the causes of them are removed.”

Further, the *Lectures* enable us to understand how the belief could have arisen that Adam Smith originally intended to write a history of civilization. This view is simple enough for those who are ignorant of the history of natural law or of Scotch moral philosophy, as well as of the profound influence of Harrington, Montesquieu, Hume and others on the social and political sciences. The *Lectures* show us now in the most unambiguous way that Adam Smith worked from 1760 to 1764 entirely within the limits of the Scotch moral philosophy: he had not yet at that time undertaken to separate the science of law from that of economic conditions. He defines jurisprudence as “the theory of the general principles of *law* and *government*.” The four great objects of law are justice, police, revenue and arms.” The fact that he put the historical point of view so strongly in the foreground by no means proves that he was intending at that time to write a history of civilization. So also, the letter dated March 5, 1769, which Delatour has

quoted in support of his view,¹ is entirely beside the point: it proves merely that Smith continued to devote himself to studies in legal history even after he gave up his professorial chair. This letter, moreover, probably supports an important inference which we draw from the end of the *Theory of Moral Sentiments*, — namely, that after his return from France Smith could not have thought of getting to work at once on his *Wealth of Nations*, but still intended to write a large work on jurisprudence, which would have included “justice, police, revenue and arms.”

Much more important is another scientific advance, which we owe to the publication of the *Lectures*. It is now an undoubted fact that the system of political economy, as we meet it in Adam Smith, grew out of the system of natural law. A comparison of the first book of the *Wealth of Nations* with the corresponding part of the works of Grotius, Pufendorf, Wolff and Hutcheson induced me to express this opinion six years ago.² With this conception as a basis, I was able to conjecture wherein consisted the aid which Smith derived from his acquaintance with the Physiocrats and their writings. My supposition is now corroborated in all important points by the judgment of Cannan.³ I fully share the contempt of Cannan for the “enthusiasts of plagiarism” who seek to make of Smith’s ethics a weak copy of Hume, and of his economics a mere plagiarism of Turgot; for the endeavor to ascertain the factors which have determined the development of prominent individuals and of science itself has nothing in common with such aspersions. August Boeckh, in his *Encyclopaedie und Methodologie der philologischen Wissenschaften* has laid it down as one of the most important tasks of the historian of philosophy “to ascertain the standpoint at which they [the philosophers] are placed by the historical development of science.” The accomplishment of such a task makes it necessary to combat on the one hand those naïve souls who believe that the “great

¹ Adam Smith, *sa vie, ses travaux, sa doctrine*, 1886, p. 91.

² Cf. my *Untersuchungen über Adam Smith und die Entwicklung der Politischen Oekonomie*, Leipzig, 1891.

³ Cannan, *Lectures on Justice, Police, Revenue and Arms*, pp. xxvi–xxviii, and my *Untersuchungen*, pp. 163, 434, 435.

men " have drawn everything from their own inspiration and are but little influenced by their own times, and on the other, those pitiful minds who scent intellectual thievery whenever two persons say something similar. Both these classes lack appreciation of the laws of the development of thought.

Another imputation upon Adam Smith's genius, made even in the eighteenth century, is now finally silenced by the *Lectures*. It was maintained that Smith borrowed the principles of economic freedom from the Physiocrats. That part of his work entitled "Cheapness and Plenty" proves, however,—and in a way which surpasses all expectation,—that before his acquaintance with the Physiocrats he elaborated in his *Lectures* all the applications of the principles of economic freedom. On economic grounds of "expediency" he upholds the freedom of industry (pp. 179, 236), he maintains (pp. 209, 236, 246) the principle of commercial liberty, he demands free banking (p. 195). Like Arthur Arnold, Brodrick, Kay and others, he energetically opposes the land laws:

The right of primogeniture hinders agriculture. If the whole estate were divided among the sons, each one would improve his own part better than one can improve the whole; besides, tenants never cultivate a farm so well as if it were their own property [p. 120].

"Entails," we read again on page 124, "are disadvantageous to the improvement of the country, and those lands where they have never taken place are always best cultivated." In the northern colonies, we are told on page 226, "the lands are generally cultivated by the proprietors, which is the most favorable method to the progress of agriculture." Indeed, what we are accustomed to call the mobilization of land finds in him a warm defender:

If all the forms in buying lands were abolished, every person almost who had got a little money would be ready to lay it out on land, and the land by passing through the different hands would be much better improved. There is no natural reason why a thousand acres should not be as easily purchased as a thousand yards of cloth [p. 228].

It is to be regretted that in the *Wealth of Nations* Smith did not follow these convictions to their conclusion and demand

that the "tenants" be converted into "proprietors." But in the later work he took the same position as Arthur Young and Arbuthnot, regarding the diminution of the number of cottagers and other small occupiers of land as "an event which has in every part of Europe been the immediate forerunner of improvement and cultivation." Thus, by reason of his great authority, he made himself partially responsible for that "engrossment of lands" which he could not sufficiently deplore.

The metaphysical premises, also, of his policy of freedom appear here and there, even though in far less developed form than in the *Wealth of Nations* or the *Theory of Moral Sentiments*. On page 182 we read: "It is by far the best police to leave things to their *natural course*." On page 201 we are told: "There is no fear if things be left to their *free course* that any nation will want money sufficient for the circulation of their commodities." On page 180 he explains, quite in the spirit of the *Wealth of Nations*, "the *natural balance of industry*." This balance, he thinks, is disturbed when any branch of industry is favored by a bounty: "People are called from other productions which are less encouraged, and thus the balance of industry is broken." Again: "On account of the natural connection of all trades in the stock, by allowing bounties to one you take away the stock from the rest." Even the psychological bases of the *Wealth of Nations* come to view here and there:

We may observe that those principles of the human mind which are most beneficial to society, are by no means marked by nature as the most honorable. . . . That principle in the mind which prompts to truck, barter and exchange, though it is the great foundation of arts, commerce and the division of labour, yet it is not marked with anything amiable. To perform anything, or to give anything without a reward, is always generous and noble, but to barter one thing for another is mean [p. 232].

II.

In my *Untersuchungen* I endeavored to prove that Adam Smith could not have borrowed the principle of industrial liberty from the Physiocrats, because the formulation and method

of proof employed in the Essay of 1755 were quite different from theirs. Much as I rejoice that my view has been confirmed, it must be strongly emphasized that the metaphysical foundation of his liberalism, which comes out so clearly in the Essay of 1755 and which is in the fullest agreement with the metaphysical bases of the *Theory of Moral Sentiments*, appears but incidentally in the *Lectures*. Why? we ask. Did he suppress his metaphysics because he was concerned with the province of "expediency" alone? In that case he must have given the basis of his system in the Essay and in the Lecture on Natural Theology; and this is precisely what I pointed out in my book. We are indeed able, as I have shown, to reconstruct Smith's general philosophy (*Weltanschauung*); but it is the Lectures on Jurisprudence which show us that the perusal of the Lecture on Natural Theology would open up new views and posit new problems. I cannot share the opinion of Cannan that the Lecture on Natural Theology is "not of historical importance": on the contrary, I believe it most desirable that this Lecture, as well as the Essay of 1755, be published, in the ideal interest of throwing light on literary history. Cannan supports his opinion by saying: "Arguments which would have been convincing in 1763 will fall perfectly flat in 1896" (p. xiv). But this is to assume a utilitarian, practical point of view, from which it would be hard to explain why the Lectures on Jurisprudence were published. The true end to be sought is not arguments, but an insight into literary history.

Far more striking than the absence of the metaphysical bases is the fact that, in the part entitled "Cheapness and Plenty," we find nothing at all about the natural laws of economic freedom. In the *Wealth of Nations*, as is well known, they appear again and again; and Smith terms his system "a system of natural liberty." Who does not remember that he denounced the expulsion of an innocent man as "an evident violation of natural liberty and justice." An interference with freedom of industry or capital is, according to Smith, "a manifest violation of the most sacred rights of mankind." This is the language of the Physiocrats, and of itself renders it explica-

ble that in the eighteenth century Smith was counted among their disciples. But he also reminds us of Locke when he says: "The property which every man has in his labor, as it is the original foundation of property, so it is the most sacred and inviolable." It is well known that the Physiocrats borrowed this doctrine from Locke.

Furthermore, every reader of the *Wealth of Nations* knows that Smith attempts to define sharply the boundary between public and private economy, and that he lays down principles of justice to govern the economic relations between the state and the individual. These ideas also are lacking in the *Lectures*.

It will be seen, then, that the *Wealth of Nations* differs in two respects from the *Lectures*: it contains the metaphysical elements in an undeveloped form, and it sets forth the demands of the natural laws of economic freedom. From this it results that in the *Lectures* is developed far more clearly the principle of "expediency" — the demonstration that on economic grounds a policy of economic freedom is best calculated to foster the development of wealth.

I once hazarded the conjecture that Smith must have developed the subjective laws of economic freedom in his *Lectures on Justice*. It must now be confessed that they are not to be found there in a specific form. It is, indeed, beyond dispute that Smith plants himself on the ground of natural law in the *Lectures* also. On page 6 we learn that there are "natural" rights; and he defines them as "rights which a man has to the preservation of his body and reputation from injury." On page 8 the list of "natural rights" is made still larger: "a person has a right to have his body free from injury and *his liberty free* from infringement *unless there be a proper cause*." But these natural rights of liberty are not developed in a broad way, as in Hutcheson's treatment; they are not applied to the domain of economic life, as by the Physiocrats and by Smith himself in the *Wealth of Nations*; they are not even supported by any argument. Smith tells us that the "origin of natural rights is quite evident," so that "nobody doubts"; and on page 107 we read: "the former (natural rights) need no explanation."

It is true that from this general principle of natural liberty we may logically derive the particular principles of subjective economic freedom, so that there is no material inconsistency between the *Lectures* and the *Wealth of Nations*. But at one cardinal point a lack of harmony comes out very sharply. We have seen that Smith in his greatest work agrees with the Physiocrats and Locke in regarding "the property which every man has in his labor" as "the original foundation of property." It is well known that Locke in particular deduces private property in land from the labor expended. On the other hand, Smith in his *Lectures* teaches us that "private property in land never begins till a division be made" (p. 109); and on page 110 he precisely inverts the doctrine of Locke. There we read: "Land property is founded on division or on assignation by the *society* to a particular person of a *right to sow and plant* a certain piece of ground." In the *Lectures*, therefore, the individual and his labor are in no respect the ultimate source of the right of property in land: the origin of this right is in *society*. And quite in harmony with this, we find that Smith recognizes the possibility of a limitation of freedom by society, if "there be a proper cause." In the same way he opposes Locke when, in speaking on page 2 of the "state of nature," he says, "there is no such state existing," and when on page 11 he rejects "the doctrine of an original contract."

It is now clear why in the introduction to his work Smith does not once mention Locke, or even the great work of his teacher Hutcheson. He speaks of Grotius, Hobbes, Pufendorf and Cocceji as prominent authors in the domain of natural law: "besides these," he says, "there are no systems of note upon this subject." Now it is certain that he saw Hutcheson's work on the *System of Moral Philosophy*, which appeared in 1755: in the list of subscribers to the work we find "A. Smith" (he is the only one who asked for two copies); moreover, he was acquainted with the contents of the work, for he had heard Hutcheson's lectures on the subject, which were embodied in the book. It is still more astonishing that Smith should ascribe the opposition to Hobbes exclusively to the "divines."

"They endeavored," we are told, "to show that man in this state has certain rights belonging to him, such as a right to his body, to the fruits of his labor, and the fulfilling of contracts. With this design Puffendorf wrote his large treatise." That poor Pufendorf, who was badly treated throughout his life by the "divines," should get into this company is strange; but not so strange as the fact that Smith seems to know nothing of the existence of Locke, the founder of the doctrine of the rights of man.

To any one who has read the *Lectures*, however, the explanation of these errors and omissions is simple enough: on all sides appears the effort to put abstract natural law into the background, and to make room for the concrete treatment of law and government, in the way that had been prepared by Harrington and developed by Montesquieu and Hume. We can only now appreciate the deep influence which these two men exerted on Smith in his earlier years. For the gaping chasm between the *Lectures* and the *Wealth of Nations* there is no other explanation than that Smith, while associating with the Physiocrats, was led by a study of their works to assume a more friendly attitude toward Locke and Hutcheson, and thus gradually to oppose the views of Montesquieu. For upon this point we must suffer no illusion: the Physiocrats did not look with friendly eye upon the historic-realistic conception of law and government which Montesquieu especially made so popular. Dupont de Nemours once expressed this very pungently:

Combien doit être petit le nombre des hommes auxquels il appartient de savoir ce qui ne leur fut pas enseigné par leurs maîtres. Songez que Montesquieu lui-même vous a dit, comme un autre, que les principes du gouvernement doivent changer selon la forme de sa constitution, et que, sans nous apprendre quelle est la base primitive, quel est l'objet commun de toute constitution du gouvernement, vous avez vu cet homme sublime employer presque uniquement la finesse extrême, la sagacité supérieure de son esprit pour chercher, pour inventer des raisons particulières à des cas donnés.

We must not, however, regard the change in Adam Smith's attitude as constituting an abandonment of his previous convic

tions; for, from the very fact that he lectured on natural law, he was accustomed to an abstract treatment of law and government. Jurisprudence he defined as "that science which inquires into the general principles which ought to be the foundation of the laws of all nations." Through Hutcheson he was intellectually related to Locke and Shaftesbury. The mighty influence of Montesquieu and Hume had, however, estranged him from the system of natural law. But while in France, perhaps, he had become aware that the fight against the old order of things required convictions — something more powerful than mere expositions of the "expediency of free trade." His soul was aglow with the flame that inspired the Physiocrats. Then were developed the concepts of the "natural order" and the "natural right" of the individual to liberty; and these became part of his system.

Perhaps still more rich in consequences was the fact that he, who in his *Wealth of Nations* deduced the right of private property from the labor of the free man, in the same work applied the principle of labor to the problems of political economy. In the *Lectures* this principle is relegated to a minor position, in the treatment of both jurisprudence and economics. It is well known how fruitful the principle of labor had been made in English political economy before Smith. I mention only Petty and Locke, Mandeville and Cantillon, Harris and Hume, the author of the essay "Some Thoughts on the Interest of Money, in General" and Hutcheson. The last named, Smith's teacher, was in a certain sense restored to his old place in Smith's regard; and it seems to me due to the stimulus of Hutcheson that Smith makes use of the principle of labor, for all the obscurities of the principle are found already in Hutcheson. Compare the following passages:

HUTCHESON.

But a day's digging or ploughing was as uneasy to a man a thousand years ago as it is now, tho' he could not get then so much silver for it; and a barrel

SMITH.

Equal quantities of labor, at all times and places, may be said to be of equal value to the laborer. In his ordinary state of health, strength and spirits, in

of wheat, or beef, was then of the same use to support the human body, as it is now, when it is exchanged for four times as much silver. Properly the value of labor, grain and cattle are always pretty much the same, as they afford the same uses in life, whereas new inventions of tillage, or pasturage, cause a greater quantity in proportion to the demand.

the ordinary degree of his skill and dexterity, he must always lay down the same portion of his ease, his liberty and his happiness. The price which he pays must always be the same, whatever be the quantity of goods which he receives in return for it. . . . Equal quantities of labor will at distant times be purchased more nearly with equal quantities of corn, the subsistence of the laborer, than with equal quantities of gold and silver, or perhaps any other commodity. Equal quantities of corn, therefore, will at distant times be more nearly of the same real value.

If, then, the conviction is well founded that Smith was influenced by the Physiocrats and by Locke in taking up a position antagonistic to that of Montesquieu, we have an explanation of the fact that he abandoned his original work on "The General Principles of Law and Government," and took up the *Wealth of Nations*. The former undertaking would have required that he should oppose Montesquieu: in fact, we are told that Smith, at the close of his life, was working on an *Examen Critique de l'Esprit des Lois*.¹ In all probability, however, his change of subject was much influenced by the fact that political economy developed with surprising rapidity in the sixties of the last century: witness not only the writings of the Physiocrats, but also and by no means least of all, the important work of James Steuart.

The transfer of Smith's intellectual sympathy from Montesquieu to the Physiocrats is responsible, I think, for the mistaken historical view, conspicuous especially in Books III and IV of the *Wealth of Nations*, which distinguishes between "natural" and "unnatural" economic development. In the first chapter of the third book he writes:

¹ Ingram, *History of Political Economy*, 1893, p. 92.

Had human institutions, therefore, never disturbed the natural course of things, the progressive wealth and increase of the towns would, in every political society, be consequential, and in proportion to the improvement and cultivation of the territory or country.

Adam Smith grafted a Physiocratic economic branch on the tree of his metaphysics. In the *Lectures* we notice nothing of this at all, even though a large part of the contents of the *Wealth of Nations* is to be found in the paragraph to which Cannan gives the heading, "Of the Causes of the Slow Progress of Opulence." At that time he had not yet made the discovery of a natural and an unnatural development. I cannot help believing that the first book of James Steuart's *Inquiry* contains a more profound and a more correct view of the relation of agriculture to industry than does the *Wealth of Nations*.

III.

The influence of the Physiocrats, however, led Adam Smith into other wrong paths also, as we can well see from the *Lectures*. In this work the part devoted to economics, and entitled "Cheapness and Plenty," is introduced by two paragraphs: "Of the natural wants of mankind," and "That all the arts are subservient to the natural wants of mankind." These disappear in the *Wealth of Nations*, and in their stead is put the well-known "Introduction," which begins with these words: "The annual labour of every nation is the fund which originally supplies it with all the necessities and conveniences of life." As to this change Mr. Cannan says: "It is not easy to explain why the first two sections were omitted from the *Wealth of Nations*, and the fact will be regretted by those who ask for a theory of consumption as a preliminary to the other parts of political economy" (p. xxvii). It seems to me that the omission is entirely due to the influence of the Physiocrats.

Those predecessors of the Physiocrats and Adam Smith, who for the sake of convenience are called Mercantilists, and to whom it is customary to ascribe many absurd ideas, started out from a consideration of the world as it surrounded them.

Men, they observed, have wants which, as soon as the division of labor has made its appearance, create a demand for the commodities and the services of others. In an economic condition where credit is but slightly developed, this demand becomes effective through money and gives rise to the activity of the merchants, who at the same time stimulate wants, and therefore demand itself. The demand which is developed in this way causes production, and production cannot grow faster than the demand. The Mercantilists noticed how the development of demand and of production conditioned the employment and the increase of the great mass of men, especially those occupied in agriculture and in the production of raw materials. Thus they started out theoretically from human wants, from consumption, from demand; and their practical conclusion was that commerce and industry must be protected.¹

This Mercantilist policy was opposed by the Physiocrats, on the ground that it injured and impeded agriculture. Quesnay said:

Que le gouvernement économique ne s'occupe qu'à *favoriser* les dépenses *productives* et le commerce des denrées du crû, et qu'il laisse aller d'elles-mêmes les dépenses stériles.

In order to support this demand the economic development is then interpreted in a way quite different from that of the Mercantilists. Industry and commerce are held to be possible only because agriculture yields a surplus; therefore the *science économique* must begin with an analysis of production.

Les négociants ne font point naître . . . la possibilité du commerce [says Quesnay] mais c'est la possibilité du commerce . . . qui (fait) naître les négociants. [And again:] Le commerce . . . est toujours un service plus ou moins dispendieux, et ~~que~~ moins on a besoin de ce service, moins il est onéreux.

The whole distorted character of the Physiocratic conception can, however, best be recognized from Baudeau's *Explication du Tableau Économique*. In that work he discusses the Mercantilist conception at length, and formulates it as follows:

¹ A fuller exposition of the Mercantilists' views is impossible here from lack of space. I can only refer the reader to Books I and II of James Steuart's *Inquiry*.

C'est le *désir de jouir* des façons, du trafic ou des amusements, qui excite aux dépenses productives : donc, *l'industrie est productive*, et même plus productive que les dépenses foncières et la culture, donc la classe prétendue stérile est tout le contraire.

In opposition to this view, he thus lays down the doctrine of the Physiocrats :

Nous trouvons pour *première cause* . . . les avances annuelles. Si je demande à toute personne raisonnable, qui est-ce qui a produit les épis dans ce champ ? elle me répondra, c'est la *semence et le labeur*, car, pour recueillir des moissons, il faut fumer, labourer et semer.

With this compare the views on the *Question Singulière* : “ Si le besoin ou le désir sont jamais les vraies causes de la production ? ”

Adam Smith, who leans at this point to the Physiocrats, pushes two steps beyond Quesnay. He regards as productive not only the labor which produces raw materials, but also that which is employed in industry and commerce ; and he does not limit the demand of *laissez-faire* to industry and commerce, but extends it to all branches of economic activity. Since, therefore, production can no longer in any form be regarded as the aim of the state, he declares that “ consumption is the sole end and purpose of all production ; and the interest of the producer ought to be attended to only so far as it may be necessary for promoting that of the consumer.” Here appears in all its sharpness the contrast between the Mercantilist theory and the liberal economics. The new view starts theoretically from production and practically demands protection for consumers ; the old view starts theoretically from consumption, and demands protection for producers. The theoretical, and still more the practical, errors of the post-Smithian economics that were due to starting out from production are very evident ; and it is now beginning to be recognized that the theory of economic phenomena must begin with an analysis of consumption. Jevons, as is well known, has given the most energetic expression to this view. My task has been merely to ascertain why Adam Smith strayed from the right path.

IV.

If now I should attempt to sum up the result of these observations, I should state it somewhat as follows: The Physiocrats have played a far more important rôle in the development of Adam Smith than we have hitherto dared to assume. Not only did they for the first time put him in a position to develop a system of theoretical economics that was complete in matter, even if perhaps not in form, but they induced him to apply "natural law" to economic conditions, and to give to the "natural order" a far wider extension than had before been attributed to it. And these, indeed, are the very elements which give to Smith's system its sharply defined character.

But, highly as we may estimate the merit of the Physiocrats, it cannot be maintained that Adam Smith's connection with them was an unmixed advantage to him. On the contrary, it might be said that Smith purchased the aid which they afforded him at a heavy cost. Support for such a view is to be found in all his conceptions of a natural law, a natural order, a natural and an unnatural historical development, in his abandonment of the doctrine of wants, and in his employment of the doctrine of production as the base of his system. Adam Smith's mind thus lost the impartiality and objectivity which we see in the *Lectures*. He constructed artificial causal connections which he had not previously discovered and he saw in the Mercantile system—that joint historical product of many political, social and economic forces—only a monster that had been deliberately brought into existence by the merchants and the industrial employers.

Had Smith been able to develop further on the lines of that training which is manifested in the *Lectures*, his economic system would probably not have attained its completeness; but he would have preserved the objectivity of his historical judgment and the purity of his economic perception. The blemishes of which the historical school and Jevons have complained are almost entirely absent in the *Lectures*. W. HASBACH.